United States Senate

WASHINGTON, DC 20510

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SMALL BUSINESS AND ENTREPRENEURSHIP
SPECIAL COMMITTEE ON AGING

July 11, 2019

The Honorable John Bolton National Security Advisor The White House 1600 Pennsylvania Avenue, N.W. Washington, D.C. 20500

Dear Mr. Bolton:

Unfortunately, the Department of Defense's (DoD) Joint Enterprise Defense Infrastructure (JEDI) cloud computing procurement suffers from a lack of competition. This, it is feared, will result in wasted taxpayer dollars and fail to provide our warfighters with the best technology solutions.

JEDI has the potential to be a \$10 billion, 10-year contract. This type of fiscal and time commitment should demand a procurement steeped in competition and conducted without bias toward any one vendor. However, DoD has used arbitrary criteria and standards for bidders. Even though 200 companies were initially interested, DoD instituted such a restrictive criteria that only four companies bid on JEDI. DoD then further used the arbitrary criteria to eliminate two of the bidders, IBM and Oracle, leaving only Amazon and Microsoft. And in the end, DoD plans to award this massive contract to a single vendor, even though multiple vendors would ensure continuing price competition and access to the latest innovations.

From the beginning, I have expressed concern with regard to DoD's decision to use one vendor for JEDI, contrary to industry best practices, statutory preferences, and the Administration's Cloud Smart guidelines. As you know, the OMB Cloud Smart strategy instructs Federal departments and agencies to obtain cloud services from multiple providers, as is standard practice in the private sector. Following this lead, the Intelligence Community is moving away from a single cloud provider, recently announcing that it will pursue "a multiple cloud strategy to increase access to cloud innovation and reduce the disadvantages associated with using a single cloud service provider." This change improves cost, access to innovation, and interoperability. Using multiple cloud providers also increases redundancy and resilience so that there is no risk of a single point of failure for DoD technology systems.

In standard weapons systems, DoD encourages competition wherever possible. The continuous, scalable nature of cloud computing makes such competition even more essential. Without competition, a vendor has no reason to include the latest, most capable, and most secure technology in their government environments. Competition ensures vendors will continuously integrate innovations that improve cost, capability, and security for DoD.

I fully understand and support the significant need for DoD to modernize its technology systems, and believe moving to the cloud is critical to that effort. But such a move must be done

with competition to ensure that the government gets the best deal possible. It also must avoid any hint of impropriety. In the case of JEDI, I am also aware that the DoD Inspector General (IG) has been referred the review of potential conflicts of interest related to the JEDI procurement. I am also writing to Acting Secretary Esper about these conflicts of interest, and it is my hope the IG's work will be taken seriously.

Our warfighters deserve the best capability possible and the taxpayers deserve the best value possible. Unfortunately, moving forward with the current JEDI procurement will not further that goal. I respectfully request that you direct the delay of an award until all efforts are concluded in addition to evaluating all bids in a fair and open process in order to provide the competition necessary to obtain the best cost and best technology for its cloud computing needs.

Thank you for your dedication and your support to our men and women in uniform.

Sincerely.

Marco Rubio U.S. Senator